

Washington State Auditor's Office
Accountability Audit Report

Aberdeen School District
Grays Harbor County

Audit Period
September 1, 2002 through August 31, 2003

Report No. 66558

Issue Date
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Washington _____
State Auditor

Brian Sonntag

Audit Summary

**Aberdeen School District
Grays Harbor County
September 1, 2002 through August 31, 2003**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Aberdeen School District for the period September 1, 2002, through August 31, 2003.

We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. We evaluated the internal controls established by District management. Our work focused on specific areas that have potential for abuse and misuse of public resources.

RESULTS

The District complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets.

RELATED REPORTS

Our opinion on the District's financial statements and compliance with federal program requirements is provided in a separate report, which includes the District's financial statements.

CLOSING REMARKS

We thank District officials and personnel for their assistance and cooperation during the audit.

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Description of the District

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ABOUT THE DISTRICT

The Aberdeen School District's main objective is to provide public school service to over 3,700 students in kindergarten through 12th grade. The District operates six elementary schools, one middle school, an alternative high school and a high school. The District is a member of the Hoquiam-Aberdeen Transportation Cooperative, which provides transportation service for Aberdeen and Hoquiam School Districts and is operated by the Hoquiam School District. The student transportation information will be reviewed during our audit of the Hoquiam School District.

The District's five-member Board of Directors is the primary policy-making body, exercising budgetary and financial control for the District. The Superintendent, along with staff, administers day-to-day operations of the District and carries out the decisions made by the Board. The District employs 272 certificated and 274 classified staff that, besides providing basic education, provides supplemental programs and learning opportunities for students such as special education, vocational education and food services. The District operates on approximately a \$30 million annual budget.

AUDIT HISTORY

The District is audited every year. The past six audits of the District have reported two areas of concern. In the 2001 audit, we reported the District was not in compliance with the time and effort reporting requirements for federal funding. In the 2002 audit, we reported the District had inadequate documentation supporting enrollment. The District has addressed and corrected deficiencies noted in these findings. The current audit was free of findings.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:

Frank Moses
Rhonda Hutchings
Brian Shea
Sandra Bielski
Robert Stewart (September 2002 through
December 2002)
Doug Smith (February 2003 through August 2003)

APPOINTED OFFICIALS

Superintendent

Martin Kay

ADDRESS

District

216 North G Street
Aberdeen, WA 98520
(360) 538-2000

Audit Areas Examined

Aberdeen School District Grays Harbor County September 1, 2002 through August 31, 2003

In keeping with general auditing practices, we do not examine every portion of the Aberdeen School District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

ACCOUNTABILITY FOR PUBLIC RESOURCES

We evaluated the District's accountability in the following areas:

- Student enrollment reporting
- Teacher education and experience (staff mix) reporting
- Student transportation and ridership reporting
- Associated Student Body activities and operations
- Cash handling procedures
- Payroll
- General disbursements

LEGAL COMPLIANCE

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Constituent referral
- Use of Initiative 728 (Student Achievement) funds
- Restricted funds and fund balance
- Open Public Meetings Act
- Conflict of interest

FEDERAL PROGRAMS

We evaluated internal controls and tested compliance with federal program requirements, as applicable, for the District's major federal programs, which are listed in the Federal Summary section of the financial statement and single audit report.

FINANCIAL AREAS

Our opinion on the District's financial statements is provided in a separate report. That report includes the District's financial statements and other required financial information. We examined the financial activity and balances of the District including:

- Cash and investments
- Assets and liabilities
- Revenues and expenditures
- Subsequent events
- Overall presentation of the financial statements